



RIVER GAS CORPORATION

UTAH OPERATIONS

1305 South 100 East

Price, Utah 84501

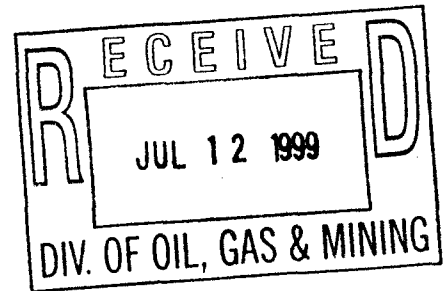
Bus. (435) 637-8876

FAX (435) 637-8924

July 8, 1999

Mr. John Baza
State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
SLC, Utah 84114-5801

RE: Application for Permit to Drill-
Utah 08-354, NW/4 NE/4, of Sect.08
T16S, R09E, SLB & M, Emery County, Utah



Dear Mr. Baza:

Enclosed is the original of the *Application for Permit to Drill* (APD). Included with the APD is the following information:

- Exhibit "A"- Survey plat of the proposed well site;
- Exhibit "B" - Proposed Location Map with Pipeline, Power, and Road Access;
- Exhibit "C" - Location Layout;
- Exhibit "D" - Drilling Information;
- Exhibit "E" - Multipoint Surface Use Plan;
- Exhibit "F" - Typical Road Cross-section;
- Exhibit "G" - BOP Diagram;
- Exhibit "H"- Production Site Layout; and
- Exhibit "I"- Evidence of Bond;

CONFIDENTIAL

ORIGINAL

Please accept this letter as River Gas Corporation's written request for confidential treatment of all information contained in and pertaining to this permit application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact me if you have any questions.

Sincerely,

Don S. Hamilton

Don S. Hamilton
Permit Specialist

cc: Mr. Eric Jones, BLM, Moab, Utah
Mr. Chuck Snure, Texaco
Mr. Joe Coughlin, Dominion Resources
Mr. Don Stephens, BLM, Price, Utah
Mrs. Tammie Butts, River Gas Corporation
Mr. Gilbert Hunt, DOGM
Jim Cooper, SITLA
RGC Well File

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

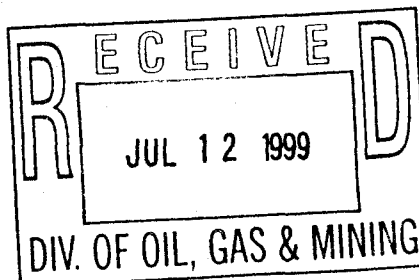
APPLICATION FOR PERMIT TO DRILL OR DEEPEN		5. Lease Designation and Serial Number: ML-48220	
1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name: N/A	
B. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. Unit Agreement Name: Drunkards Wash UTU-67921X	
2. Name of Operator: River Gas Corporation		8. Farm or Lease Name: Utah	
3. Address and Telephone Number: 1305 South 100 East, Price, UT 84501 (435)637-8876		9. Well Number: 08-354	
4. Location of Well (Footages) At Surface: 1073' FNL, 1914' FEL At Proposed Producing Zone: 505,674E 4,366,740N		10. Field or Pool, or Wildcat: Drunkards Wash	
14. Distance in miles and direction from nearest town or post office: 12 miles southwest of Price, Utah		11. Qtr/Qtr, Section, Township, Range, Meridian: NW/4 NE/4 Section 08, T16S, R09E, SLB&M	
15. Distance to nearest property or lease line (feet): 1914'		12. County: Emery	
16. Number of acres in lease: 2560.00 acres		13. State: UTAH	
17. Number of acres assigned to this well: 160		18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): 2500'	
19. Proposed Depth: 3750'		20. Rotary or cable tools: Rotary	
21. Elevations (show whether DF, RT, GR, etc.): 6532.5'		22. Approximate date work will start: May 2000	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14"	12-3/4"	Conductor	25'	
11"	J-55 8-5/8"	24 26#/ft	370'	149 sks G+2%CaCl+1/4#per sack floccel
7-7/8"	N-80 5-1/2"	17 26#/ft	3750'	343 sks 50/50poz8%gel+2%CaCl+10%extende
				75 sks "G" thixotropic

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.*

CONFIDENTIAL

ORIGINAL

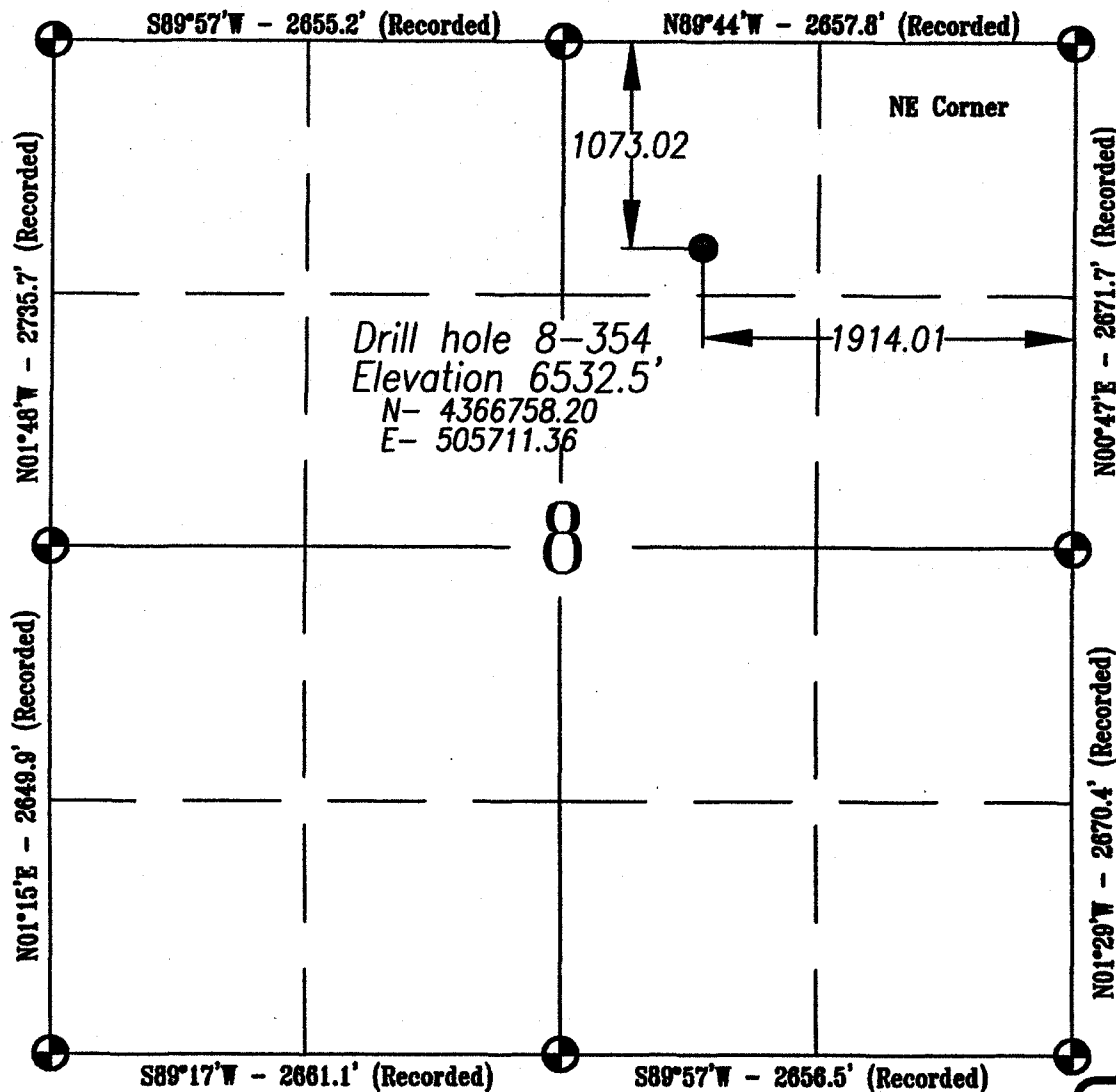


24. Name & Signature: <u>Don S. Hamilton</u> <i>Don S. Hamilton</i> Title: <u>Permit Specialist</u> Date: <u>7/8/99</u>	
(This space for state use only)	
API Number Assigned: <u>43015-30395</u>	Approval: <u><i>[Signature]</i></u>

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 2/22/00
By: *[Signature]*

Range 9 East



LEGEND:

- Drill Hole Location
- ⊕ Found Section corner monumented w/ brass cap unless indicated otherwise.
- Brass Cap (Searched, Not Found)



SCALE:
250' 0' 500' 1000'

Location

The Bearings Indicated are per the recorded plat obtained from the U.S. Land Office. The well location was determined using a Trimble 4400 GPS Unit.

Basis Of Elevation:

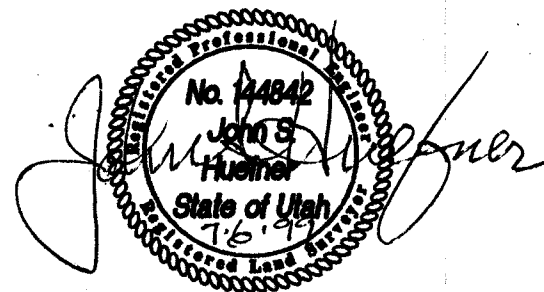
Basis of Elevation of 6311' as indicated in the SE corner of Section 17, Township 16 South, Range 9 East, Salt Lake Base and Meridian, as shown on the Poison Springs Bench Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the NW 1/4 NE 1/4 of Section 8; 1073.02' South and 1914.01' West from the NE corner of Section 8, T16S, R9E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, John S. Huefner, a Registered Licensed Land Surveyor, holding Certificate #144842, State of Utah, do hereby certify that the information on this drawing is a true and accurate survey of the land, and was conducted under my personal supervision, as shown hereon.



DRAWN BY: J. TIMOTHY CHECKED BY: J.S.H. DATE: 7/2/99 SCALE: 1"=1000' SHEET NO.: 477 DRAWING NO.: A-1	Castle Valley 3200 South 125 West P.O. Box 14501 (801) 637-8300 FAX (801) 637-2633 River Gas Corporation Well# 08-354 Section 8, T16S, R9E, S.L.B.&M. Emery County, Utah
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EXHIBIT "D"
DRILLING PROGRAM

Attached to Form 3
River Gas Corp.
Utah 08-354
NW/4 NE/4, Sec. 8, T16S, R9E, SLB & M
1073' FNL, 1914' FEL
Emery County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 2870'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 2900' - 3010'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 1400 psi.

4. The Proposed Casing and Cementing Programs

<u>HOLE SIZE</u>	<u>SETTING DEPTH (INTERVAL)</u>	<u>SIZE (OD)</u>	<u>WEIGHT, GRADE & JOINT</u>	<u>NEW, USED</u>
14"	25'	12-3/4"	Conductor	New
11"	375'	8-5/8"	24#LT&C	New
7-7/8"	3750'	5-1/2"	17#LT&C	New

Cement Program -Every attempt will be made to bring cement back to surface.

Surface Casing: 149 sks G+2%CaCl+1/4#per sack flocel;15.8#/gal,density, 1.15 cu.ft/sk yield.

Production Casing: 343 sks 50/50 poz 8%gel +2%CaCl+10%extender;12.5#/gal, density, 1.92 cu.ft/sk yield.

75 sks "G" thixotropic, 14.2#/gal density, 1.61 cu.ft/sk yield.

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-300	11" hole	Drill with air, will mud-up if necessary.
300-TD	7 7/8" hole	Drill with air. 400 psi @ 1500-1800 Scf.

7. The Testing, Logging and Coring Programs are as followed

300-TD	Gamma Ray, Density, Neutron Porosity, Induction, Caliper
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Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is 1400 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around May 2000.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

EXHIBIT "E"
MULTIPOINT SURFACE USE PLAN

Attached to Form 3
River Gas Corp.
Utah 08-354
NW/4 NE/4, Sec. 8, T16S, R9E, SLB & M
1073' FNL, 1914' FEL
Emery County, Utah

1. Existing Roads

- a. The existing Poison Springs Bench access road network will be utilized for this well.
- b. We do not plan to change, alter or improve upon any existing state or county roads.
- c. Existing roads will be maintained in the same or better condition (See Exhibit "B").

2. Planned Access

Approximately 300 of new access will be required (See Exhibit "B").

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 8%
- c. Turnouts: None
- d. Drainage design: 8 culverts may be required. Water will be diverted around well pad as necessary.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.

3. Location of Existing Wells

- a. See Exhibit "B". There are 11 proposed and 0 existing wells within a one mile radius of the proposed location.

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of one trailer to be located on the drill site.

9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

11. Surface Ownership:

- a. The wellsite and access road will be constructed on lands owned by the School & Institutional Trust Lands Administration. The operator shall contact the landowner representative and the Division of Oil, Gas and mining 48 hours prior to beginning construction activities.

12. **Other Information:**

- a. The primary surface use is grazing. The nearest dwelling is approximately 15,800 feet northeast
- b. Nearest live water is Cottonwood Springs, 9,800' southwest.
- c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- d. The backslope and foreslope will be constructed no steeper than 4:1.
- e. All equipment and vehicles will be confined to the access road and well pad.
- f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. Company Representative

Don S. Hamilton
Permit Specialist
River Gas Corporation
1305 So. 100 E.
Price, Utah 84501
(435) 637-8876
(435) 636-5671

Mail Approved A.P.D. To:

Company Representative

Excavation Contractor

Nelco Contractors Inc.
Larry Jensen
(435) 637-3495
(435) 636-5268

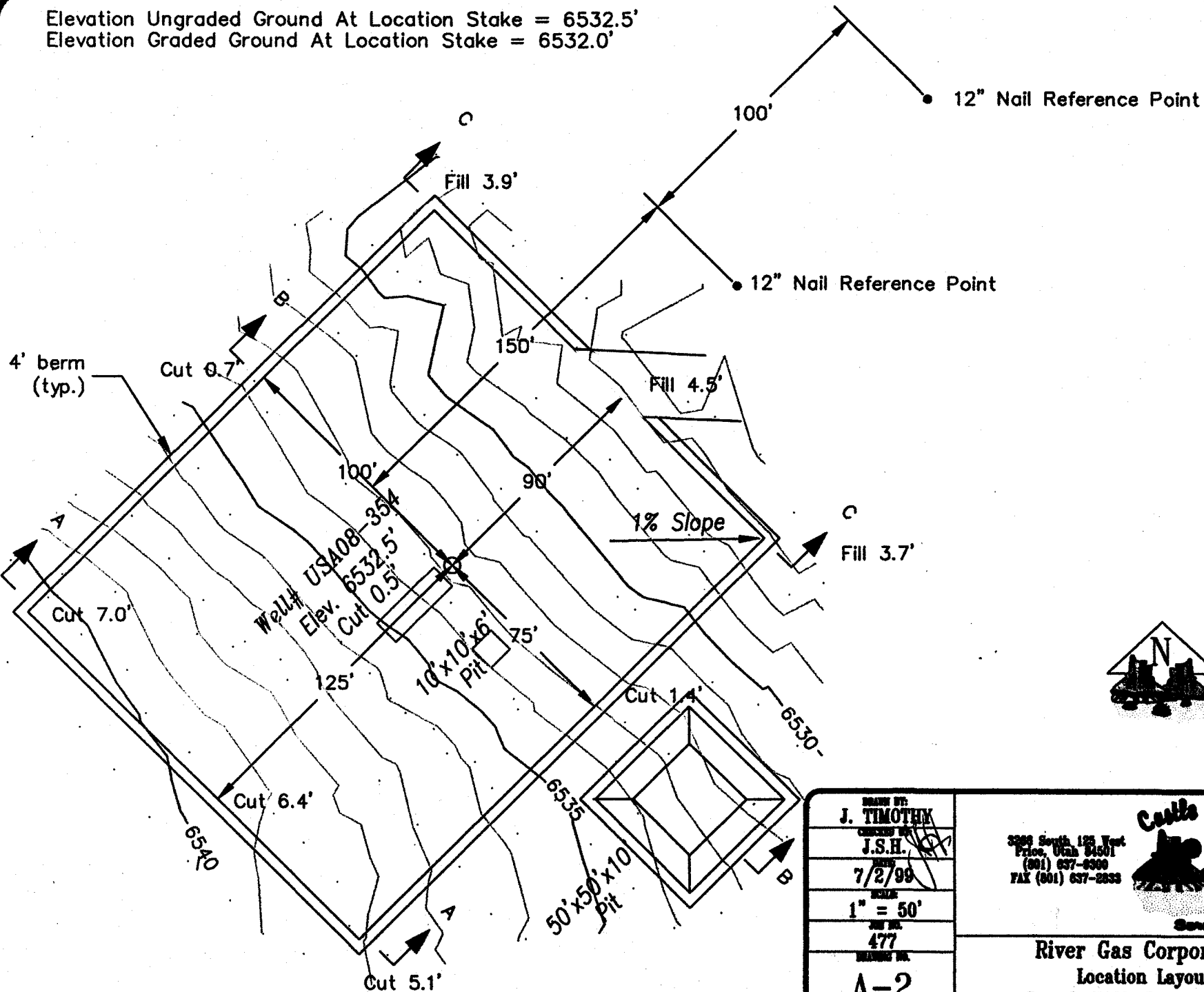
14. Certification

I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by River Gas Corp. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

7-8-99
Date

Don S. Hamilton
Don S. Hamilton
Permit Specialist
River Gas Corporation

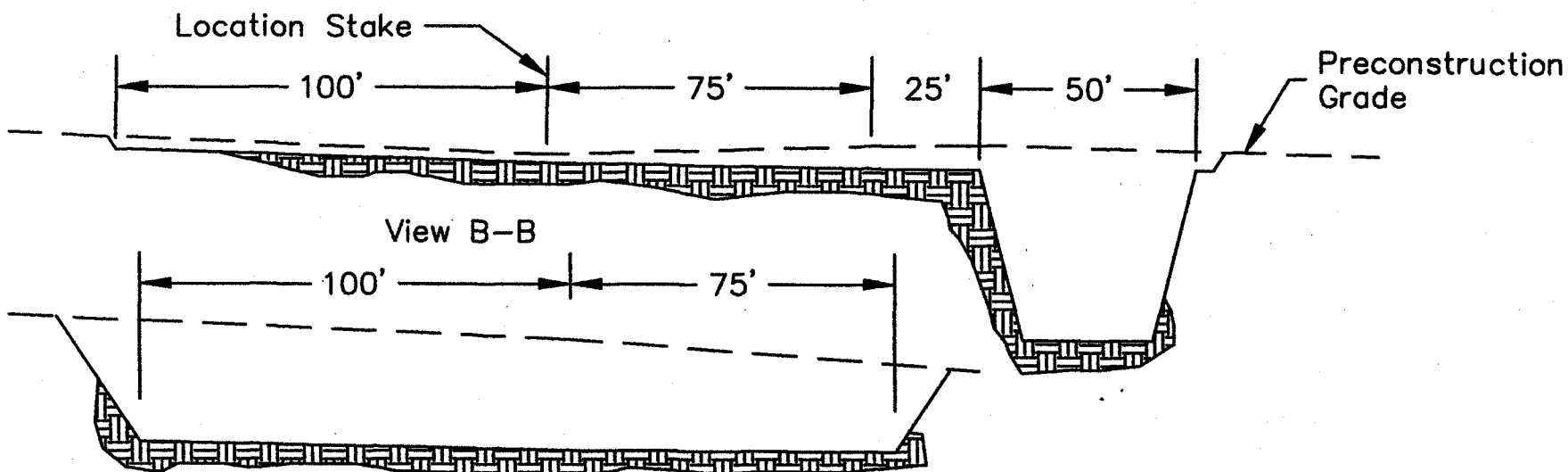
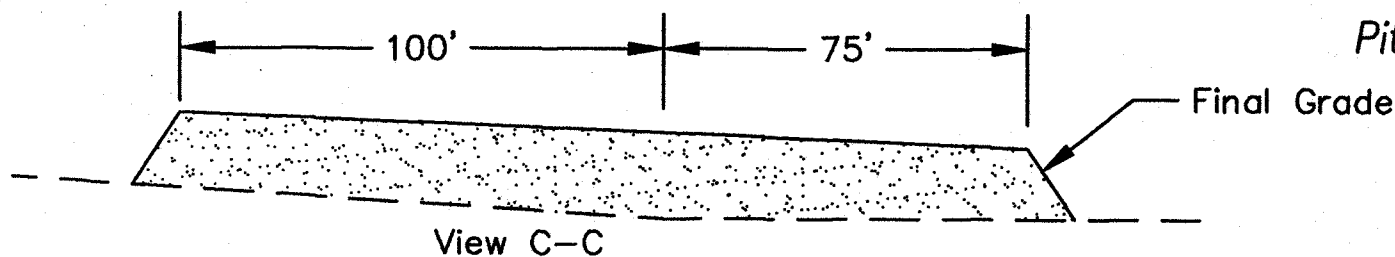
Elevation Ungraded Ground At Location Stake = 6532.5'
 Elevation Graded Ground At Location Stake = 6532.0'



DRAWN BY: J. TIMOTHY CHECKED BY: J.S.H. DATE: 7/2/99 SCALE: 1" = 50' SHEET NO. 477 DRAWING NO. A-2 SHEET 2 of 4	<div style="text-align: right;"> Castle Valley 3200 South 125 West P.O. Box 84501 (801) 637-8300 FAX (801) 637-2833 Services </div> <div style="text-align: center;"> River Gas Corporation Location Layout Sec. 8, T16S, R9E, S.L.B.&M. Well# 8-354 </div>
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1"=10'
X-Section
Scale
1"=40'

Slope = 1 1/2 : 1
(Except Pit)
Pit Slope = 1 : 1



APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 750 Cu. Yds.
Remaining Location	= 3,623.01 Cu. Yds.
TOTAL CUT	= 4373.01 Cu. Yds.
TOTAL FILL	= 1421.72 Cu. Yds.

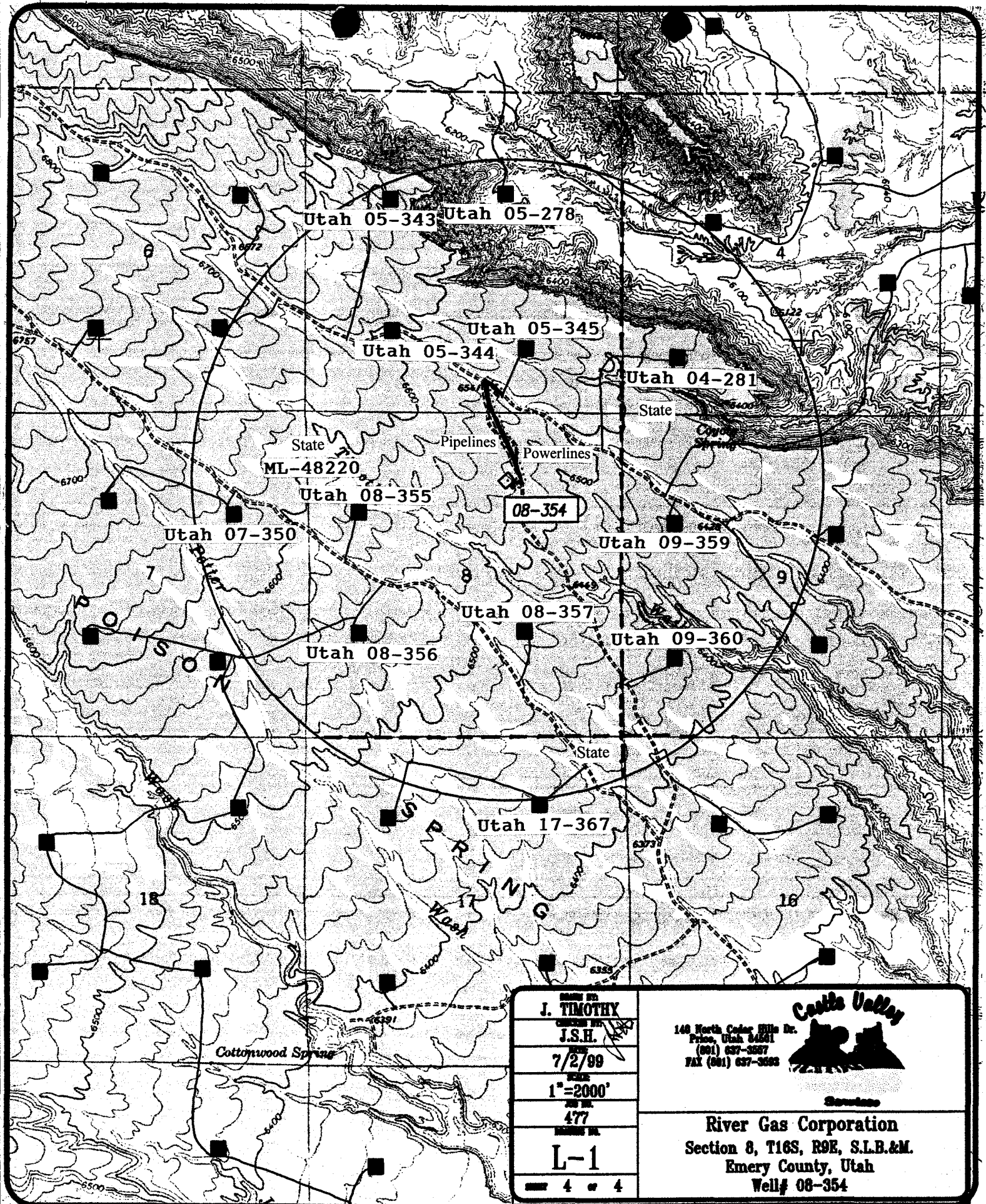
DESIGNED BY: J. TIMOTHY
CHECKED BY: J.S.H.
DATE: 7/2/99
SCALE: As Shown
SHEET NO.: 477
PROJECT NO.: C-1
SHEET 3 OF 4

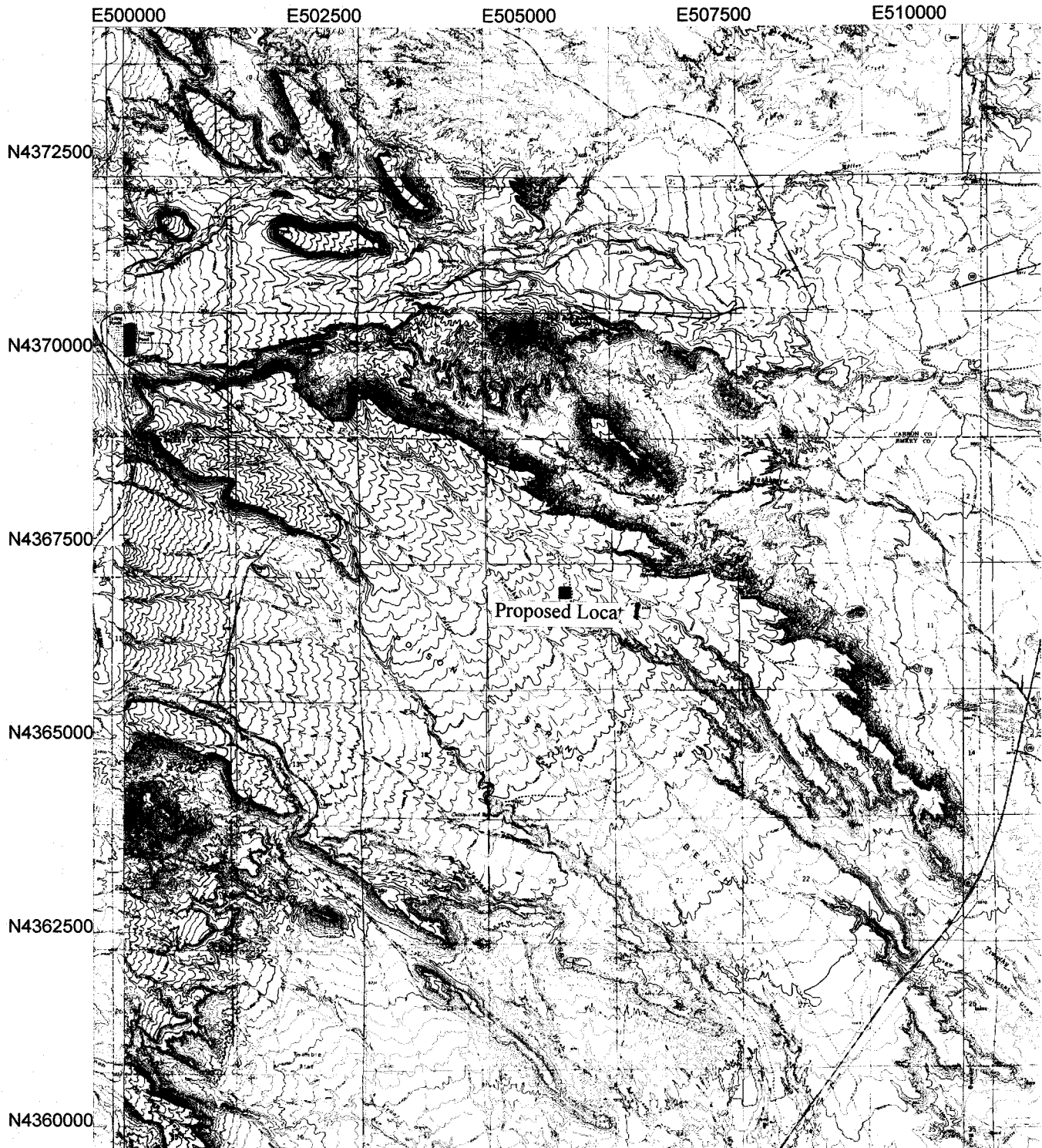
Castle Valley
3206 South 125 West
Preston, Utah 84301
(801) 637-9300
FAX (801) 637-2833



Source:

River Gas Corporation
Typical Cross Section
Sec. 8, T26S, R9E, S.L.B&M.
Well# 08-354





Utah 08-354

Universal Transverse Mercator
North 12
NAD83 (Conus)

N

Scale 1:75000
0 8000
Feet

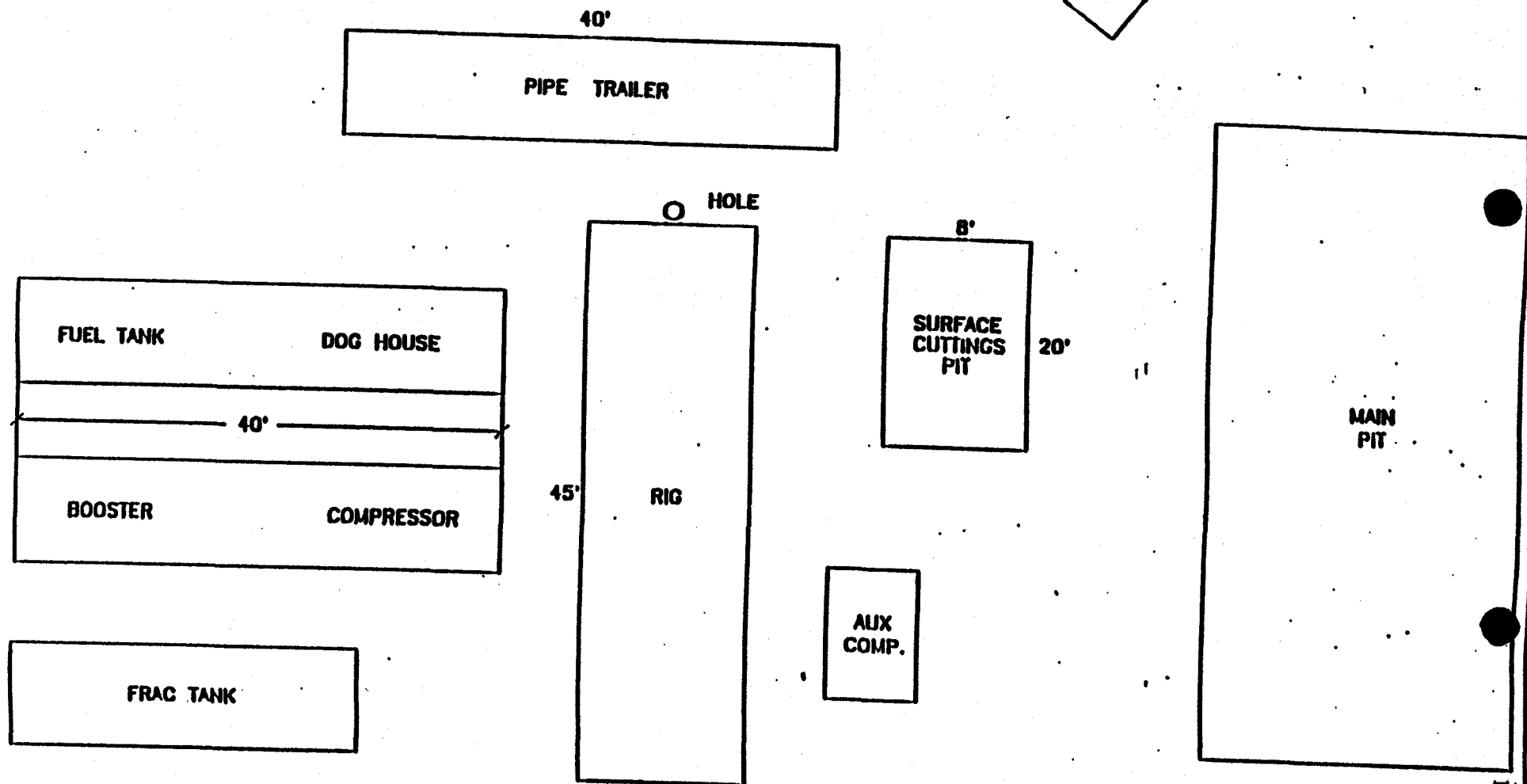
Multiple Files
7/8/1999
Pathfinder Office™
Trimble



LIGHT
PLANT

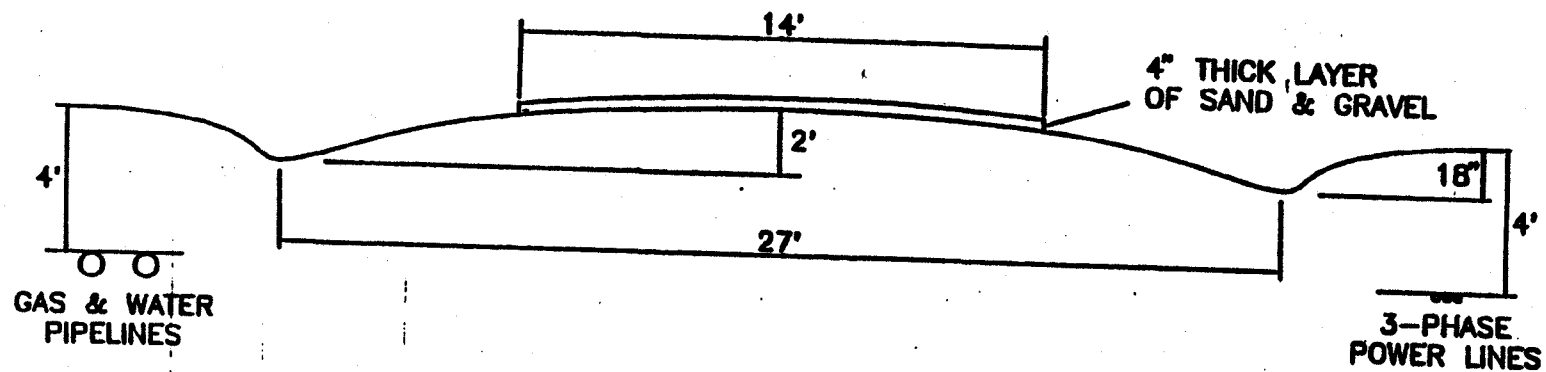


LIGHT
PLANT



APPROXIMATE LAYOUT OF RIG & EQUIPMENT
(NOT TO SCALE)

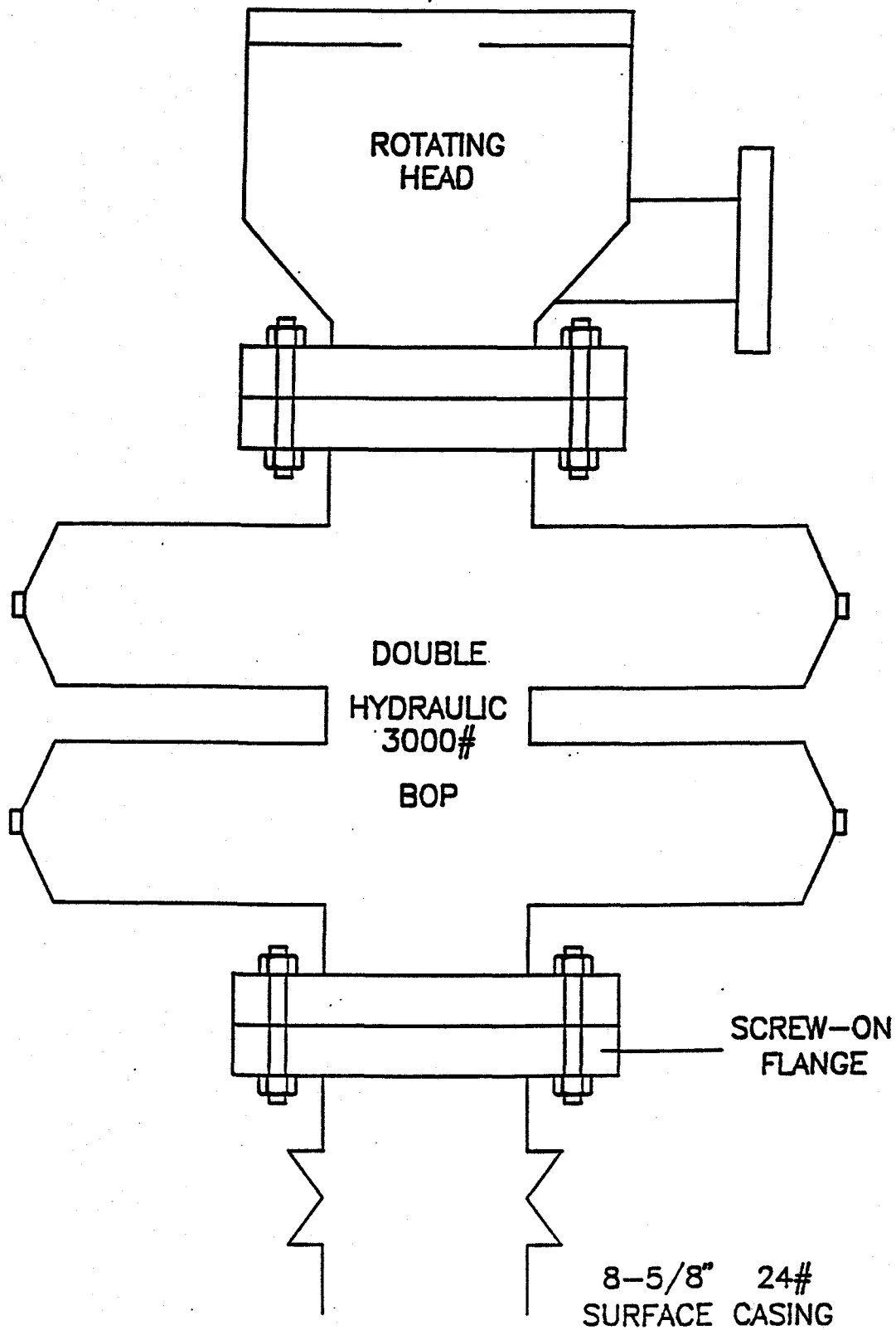
RIVER GAS CORPORATION



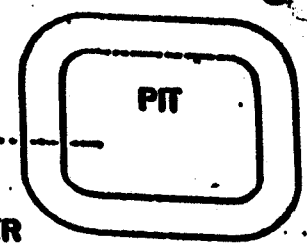
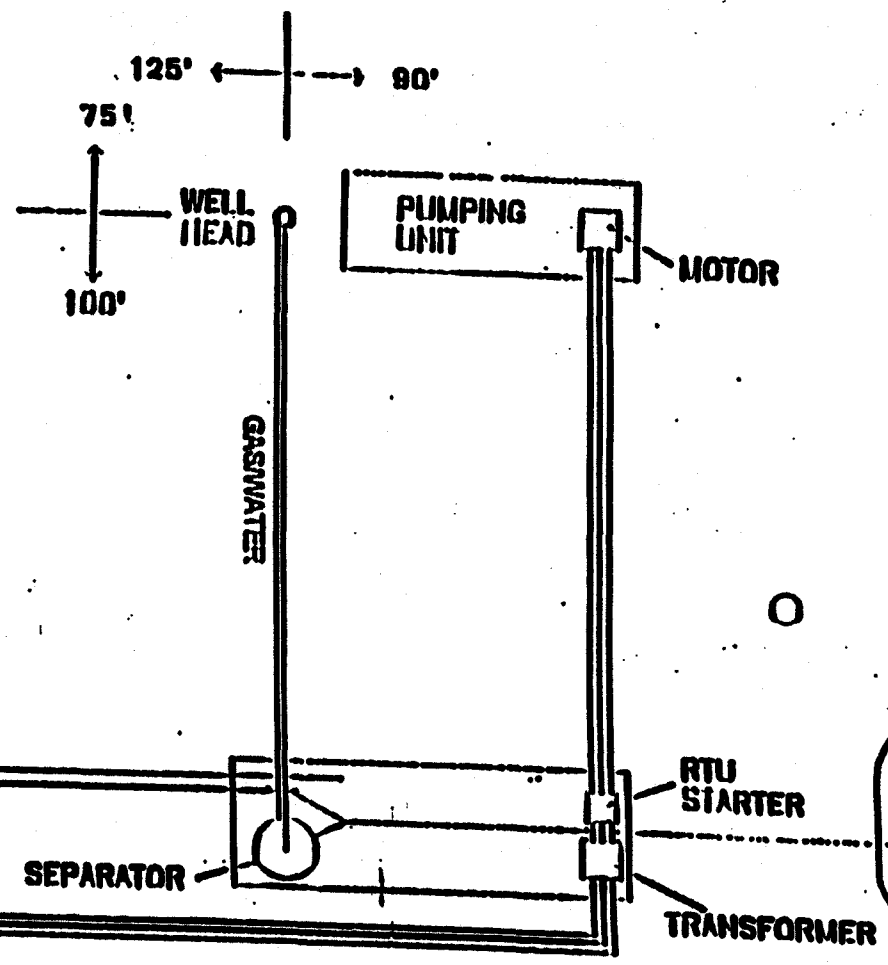
TYPICAL ROAD CROSS-SECTION

NOT TO SCALE

DIVERTER HEAD



○ ANCHOR (TYP. 4 PL.)



RIVER GAS CORP.
WELL SITE LAYOUT
215' X 175'

Exhibit "H"

STATE OF UTAH
BOND OF LESSEE

KNOW ALL MEN BY THESE PRESENTS, that we River Gas Corporation and Drunkards Wash
Joint Venture of 511 Energy Center Blvd. Northport, AL 35476 as principal and
GULF INSURANCE COMPANY, P.O. BOX 1771, DALLAS, TEXAS 75221 as surety, are held and firmly bound
 unto the State of Utah in the sum of ^{two}Hundred Thousand Dollars (\$200,000.00) lawful money of the United States
 to be paid to the School & Institutional Trust Lands Administration, as agent for the State of Utah, for the use and benefit
 of the State of Utah, and of any patentee or purchaser of any portion of the land covered by the hereinafter described
 lease heretofore sold or which may hereafter be sold with a reservation to the State of Utah, on the surface or of other
 mineral deposits of any portion of such lands, for which payment, well and truly to be made, we bind ourselves, and each
 of us, and each of our heirs, executors, administrators, successors, sublessees, and assignees, jointly and severally by
 these presents.

Signed with our hands and seals this 4th day of March, 19 96.

The condition of the foregoing obligation is such that,

WHEREAS, ~~The State of Utah, as Lessor, issued a(n)~~
~~lease, Lease Number~~ _____ and dated _____, to _____
 as lessee (and said lease has been duly assigned under date of _____
 to _____) to drill for, mine, extract, and remove all of the _____
 deposits in and under the following described lands, to wit:

Operational State Wide Bond

NOW, THEREFORE, the principal and surety shall be obligated to pay all monies, rentals, royalties, costs of
 reclamation, damages to the surface and improvements thereon and any other damages, costs, expenses, penalties, interest
 or liabilities which arise by operation of or in connection with the above described lease(s) accruing to the Lessor and
 shall fully comply with all other terms and conditions of said lease, the rules, regulations, and policies relating thereto
 of the School & Institutional Trust Lands Administration, the Board of Oil, Gas and Mining, and the Division of Oil,
 Gas and Mining as they may now exist or may from time to time be modified or amended. This obligation is in effect
 even if the principal has conveyed part of its interest to a successor in interest. If the principal fully satisfies the above
 described obligations, then the surety's obligation to make payment to the State of Utah is void and of no effect,
 otherwise, it shall remain in full force and effect until released by the School & Institutional Trust Lands Administration.

Signed, sealed and delivered
 in the presence of

[Signature]

Witness

River Gas Corporation
 David M. Chambers, President

[Signature: David M. Chambers] (SEAL)
 Principal

[Signature: Debra J. Felt]
 Witness

BONDING COMPANY GULF INSURANCE COMPANY
 BY [Signature: Frances Burks]
 Frances Burks, Attorney-in-fact

Attest: [Signature: Jaye Elerson]

Resident Agent: [Signature: Michael Dobala]

APPROVED AS TO FORM:
 JAN GRAHAM
 ATTORNEY GENERAL

Bonding Co. Address: P.O. Box 1771, Dallas, Texas 75221

Corporate Seal of Bonding Company Must be Affixed.



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That GULF INSURANCE COMPANY, a corporation of the State of Missouri, hereinafter called "Company," does hereby appoint

FRANCES BURKS, DALLAS, TEXAS

its true and lawful Attorney-in-fact to make, execute, seal and deliver on its behalf, as surety, any and all bonds and undertakings of suretyship, including waiver and consent of surety to conditions of contracts.

The execution of such bonds or undertakings in pursuance of these presents shall be as binding upon the Company as if they had been executed and acknowledged by the regularly elected officers of the Company.

This Power of Attorney is issued pursuant to and by authority of the following resolution of the Board of Directors of the Company, adopted effective July 1, 1983, and now in full force and effect:

"Resolved that the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary may appoint Attorneys-in-fact in any state, territory or federal district to represent this Company and to act on its behalf within the scope of the authority granted to them, in writing, which authority may include the power to make, execute, seal and deliver on behalf of this Company, as surety, and as its act and deed, any and all bonds and undertakings of suretyship and other documents that the ordinary course of surety business may require, including authority to appoint agents for the service of process in any jurisdiction, state or federal, and authority to attest to the signature of the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary and to verify any affidavit or other statement relating to the foregoing, and to certify to a copy of any of the bylaws of the Company and to any resolutions adopted by its Board of Directors; and any such Attorney-in-fact may be removed and the authority granted him revoked by the President, or any Senior Vice President, or any Vice President, or the Secretary, or any Assistant Secretary, or by the Board of Directors."

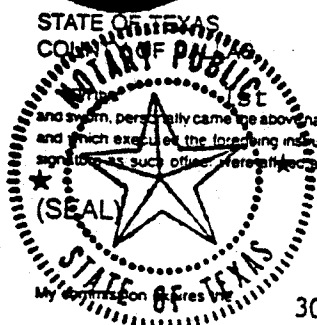
This Power of Attorney and Certificate are signed and sealed by facsimile under and by authority of the following resolution of the Board of Directors of the Company, adopted effective July 1, 1983, and now in full force and effect:

"Resolved that the signature of the President, or of any Senior Vice President, or of any Vice President, or of the Secretary, or of any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Attorneys-in-fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, including any such power of attorney and certificate revoking the authority of the foregoing Attorneys-in-fact, as well as for the appointment of agents for the service of process in any jurisdiction, state or federal, including any such power of attorney and certificate revoking the authority of such agents; and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power of attorney or certificate so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company at the time any such power of attorney and certificate are executed and in the future with respect to any bond or undertaking to which they are attached."



In witness whereof, the Company has caused this Power of Attorney to be signed and its corporate seal to be affixed by its authorized officer this 1st of June, 1988

By *[Signature]*
Sr. Vice President



ss:

day of June, 1988 before me, a Notary Public of the State and County aforesaid, residing therein, duly commissioned and sworn, personally came the above named officer of GULF INSURANCE COMPANY, who being by me first duly sworn according to law, did depose and say that he is that officer of the company described in and which executes the foregoing instrument; that he knows the seal of said company; that the seal affixed to such instrument is the corporate seal of said company; and that the corporate seal and his signature as such officer, hereaffixed and subscribed to the said instrument by the authority and direction of said company.

[Signature]
Notary Public
Clifford R. Beard

CERTIFICATE

I, the undersigned, do hereby certify that the original Power of Attorney of which the foregoing is a true and correct copy is in full force and effect, and the foregoing resolutions are true and correct transcripts from the records of GULF INSURANCE COMPANY and that the above named officer was on the date of execution of the foregoing Power of Attorney authorized to execute this Power of Attorney.



I have hereunto subscribed my name and affixed the corporate seal of Gulf Insurance Company this 4th day of March, 1996

[Signature]
Vice President

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/12/1999

API NO. ASSIGNED: 43-015-30395

WELL NAME: UTAH 08-354
OPERATOR: RIVER GAS CORPORATION (N1605)
CONTACT: Don Hamilton (435) 637-8876

PROPOSED LOCATION:
NWNE 08 - T16S - R09E
SURFACE: 1073-FNL-1914-FEL
BOTTOM: 1073-FNL-1914-FEL
EMERY COUNTY
UNDESIGNATED FIELD (002)

LEASE TYPE: STA
LEASE NUMBER: ML-48220
SURFACE OWNER: State

INSPECT LOCATN BY: / /		
TECH REVIEW	Initials	Date
Engineering	<i>PSH</i>	11-17-99
Geology		
Surface		

PROPOSED FORMATION: FRSD

RECEIVED AND/OR REVIEWED:

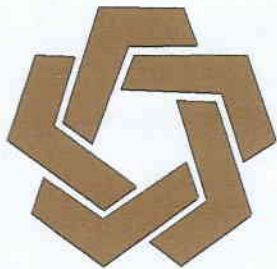
☒ Flat
☒ Bond: Fed[] Ind[] Sta ☒ Fee[]
(No. 579333)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. PPWID)
☒ RDCC Review (Y/N)
(Date: _____)
N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit Drunkards Wash
☐ R649-3-2. General
☐ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 243-2
Date: 7-13-99
460 ft. Unit Boundary's Uncommitted Tract.
☐ R649-3-11. Directional Drill

COMMENTS: Need Presite. (Conducted 11-5-99)

STIPULATIONS: ① Conductor and surface casing shall be cemented to Surface,
② STATEMENT OF BASIS



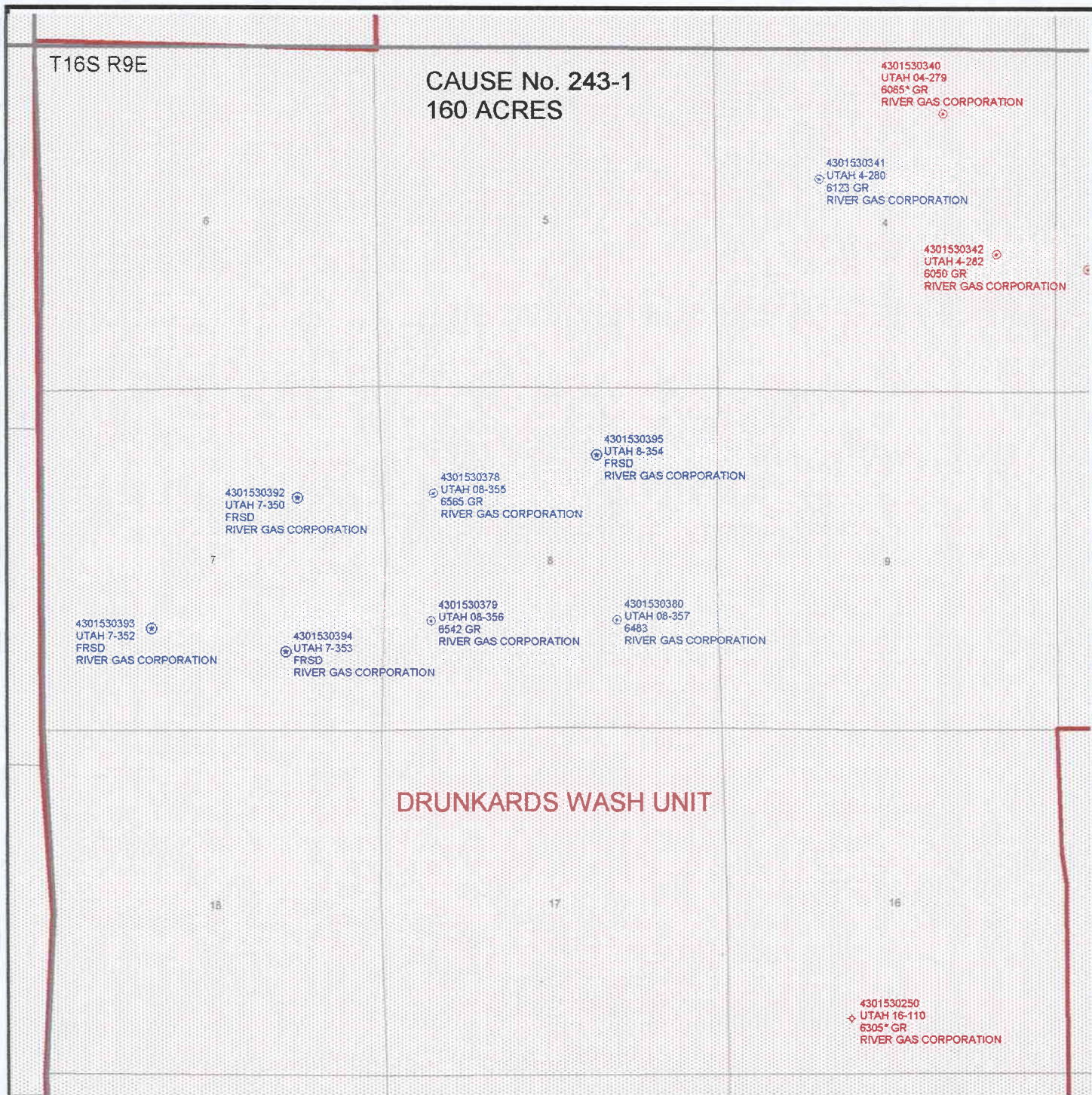
Division of Oil, Gas & Mining

OPERATOR: RIVER GAS CORPORATION (N1605)

FIELD: UNDESIGNATED (002)

SEC. 7 & 8, TWP 16 S, RNG 9 E,

COUNTY: CARBON UNIT: DRUNKARDS WASH



PREPARED
DATE: 14-JULY-1999



RIVER GAS CORPORATION

UTAH OPERATIONS

1305 South 100 East

Price, Utah 84501

Bus. (435) 637-8876

FAX (435) 637-8924

July 28, 1999

Mr. John Baza
Associate Director
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

RE: Wells pending approval that are in compliance with cause #243-2.

Dear Mr. Baza:

Please accept this letter as River Gas Corporation's (RGC's) request that the proposed wells listed on the attached page be approved in accordance with Cause Number 243-2. The proposed well sites listed are located further than 460' from the boundary of the Drunkards Wash Federal Unit and any uncommitted tract within the Drunkards Wash Federal Unit.

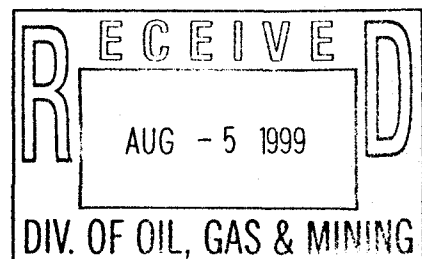
Thank you for your timely consideration of this request, please feel free to contact me if you have any questions or need additional information.

Sincerely yours,

Don S. Hamilton

Don S. Hamilton
Permitting Specialist

cc: Tammie Butts, RGC
Joey Stephenson, RGC
RGC well file



WELLS IN COMPLIANCE WITH CAUSE NUMBER 243-2

Utah 05-278
Utah 07-350
Utah 07-351
Utah 07-352
Utah 07-353
Utah 08-354
Utah 09-360
Utah 04-280
USA 13-91
USA 14-74
USA 20-399
USA 20-398
USA 12-385
USA 12-426
USA 11-324
USA 12-322
USA 13-327
USA 14-325



RIVER GAS CORPORATION

UTAH OPERATIONS

1305 South 100 East

Price, Utah 84501

Bus. (435) 637-8876

FAX (435) 637-8924

July 28, 1999

Mr. Bryant Anderson
Planning and Zoning Administrator
Emery County Courthouse
75 East Main
Castle Dale, Utah 84513

43-015-30395

RE: Emery County Gas/Oil Notice of Development Plan for Proposed Production Wells – Utah 10-415, Utah 05-278, Utah 08-354, Utah 08-355, Utah 08-356, Utah 08-357, Utah 07-350, Utah 07-351, Utah 07-352, and the Utah 07-353 (Emery County, Utah).

Dear Mr. Anderson:

Please find attached the *Emery County Gas/Oil Notice of Development Plan* for the above referenced wells which we have or will conduct a future onsite. Also included is the submitted *Application for Permit to Drill* and a check in the amount of \$300.00 per well for a total of \$3,000.00.

Please accept this letter as River Gas Corporation's written request for confidential treatment of all information contained in and pertaining to these applications, if said information is eligible for such consideration.

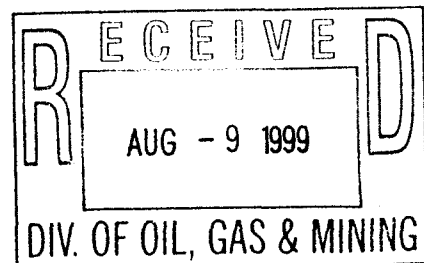
Thank you for your timely consideration of this application. Please feel free to contact me if you have any questions.

Sincerely,

Don S. Hamilton

Don S. Hamilton
Permit Specialist

cc: Mr. John Baza, DOGM (without APD)
Mr. Chuck Snure, Texaco (without APD)
Mr. Joe Coughlin, Dominion Resources (without APD)
Mrs. Tammie Butts, RGC (without APD)
RGC Well Files (without APD)



Emery County Gas/Oil Notice of Development Plan

Map # _____

Developer Name River Gas Corporation

Developer Address 1305 South 100 East Price, Utah 84501

Contact Person(s) Don S. Hamilton -Permit Specialist

Phone: (Office) (435) 637-8876 (Mobile) (435) 636-5671 (FAX) (435) 637-8924

Well Name & Number Utah 08-354

Legal Description (w/ 1/4 1/4) NW/4 NE/4, Section 8, T16S, R9E SLB&M

State Lease # (if applic) ML-48220

Primary Permitting Agency: (circle one)

UDOGM Date ap. submitted 7-8-99 BLM Date ap. submitted N/A

USFS Date ap. submitted N/A

Do you have a HazMat Plan for this facility? Yes

Estimated date for project started May 2000 Completion November 2000

NOTES:

- 1) Developers are responsible to inform all contractors and sub-contractors that potential personal property tax obligations must be paid. The Emery County Assessor is Jim Fauver (435) 381-2474.
- 2) Emery County Planning Commission will need to be contacted and included in all appropriate additional paper work, site visits, etc.

Please read the above NOTES and initial here DSH

Check list:

- ☒ All pertinent information listed above completed?
- ☒ Complete APD (Application for Permit to Drill) enclosed?
- ☒ Filing fee of \$300 enclosed?
- ☐ Road Encroachment Application filled out with \$25 fee enclosed?
- ☒ Land ownership or lease information or application enclosed?

The undersigned certifies that he/she is an authorized agent of the Applicant named above, and that to the best of his/her knowledge, information and belief, the information stated herein is true, complete and correct. The Applicant agrees to continuously supplement this application as new information comes available or as plans change.

Company Rep Signature Don S. Hamilton Date 7-28-99

Emery Co. approval signature _____ Date _____

DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

Operator Name: River Gas Corporation

Name & Number: Utah 8 - 354

API Number: 43-015-30395

Location: 1/4, 1/4 NWNE Sec. 8 T. 16S R. 9E

Geology/Ground Water:

There are no aquifers with high quality ground water expected to be encountered. Coyote Spring was located in the floor of a small spur canyon off Washboard Wash. It was not examined but anecdotal evidence from the local grazing lessee indicates that for the first time in years the spring is running damp and may present a minor stock water resource. A moderately - permeable soil is developed on the Quaternary / Tertiary Pediment Mantle covering the Blue Gate Member of the Mancos Shale. The Emery Sandstone Member of the Mancos Shale may be present at this location and may contain a minor water resource.

Reviewer: Christopher J. Kierst **Date:** 11/10/99

Surface:

The nearest moving surface waters are in Miller Creek and Cedar Creek (~2.5 miles north and 3 miles southwest, respectively). Minor surface water may be found at Coyote Spring (~3/4 mile east) and Cottonwood Spring (~2 miles southwest). Precipitation will be deflected around the location with berms and culverts. There are no nearby culinary or irrigation water supply wells. The site was photographed and characterized on 11/5/99. Provision was made to ensure site rehabilitation, litter and waste control, preservation of drainage patterns and the integrity of local infrastructure, groundwater and other resources. The well utilities and gas gathering system will follow the approach roadway.

Reviewer: Christopher J. Kierst **Date:** 11/10/99

Conditions of Approval/Application for Permit to Drill:

- 1) Culverts sufficient to manage expected runoff, standing and surface water shall be installed in crossed drainages.
- 2) The location and pit is to be bermed.
- 3) Site infrastructure as per drilling location plat.
- 4) Minimum 12 mil synthetic pit liner is required.
- 5) Topsoil stockpiling as per multipoint surface use plan.

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: River Gas Corporation

WELL NAME & NUMBER: Utah 8-354

API NUMBER: 43-015-30395

LEASE: State FIELD/UNIT: Drunkards Wash

LOCATION: 1/4, 1/4 NWNE Sec: 8 TWP: 16S RNG: 9E 1073 FNL 1914 FEL

LEGAL WELL SITING: 460' From a Unit Boundary and/or uncommitted tracts.

GPS COORD (UTM): X =505,674; Y =4,366,740

SURFACE OWNER: SITLA

PARTICIPANTS

C. Kierst (DOGM), J. Semborski, C. Hurtt and G. Vasquez (RGC), C. Colt (DWR), L. Jensen (Nelco), B. Anderson and V. Payne (Emery County), E. Bonner (SITLA)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Western margin of Colorado Plateau/~4 miles east of the foot of the Wasatch Plateau. On Poison Spring Bench ~1/2 mile southwest of the edge of 400' cliffs forming the south side of the canyon containing the Washboard Wash drainage; ~3/4 mile west of Coyote Spring. The pad is on open, gently sloping (to southeast), forested ground. Small dry washes pass by ~1,000' away on the southwest and northeast sides of the location.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and habitat.

PROPOSED SURFACE DISTURBANCE: 215' X 175' pad with 50' X 50' X 10' attached pit and ~300' long access road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 8 NEW status and 3 approved APD status RGC CBM production locations.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Buried power line and gathering system follow approach road. Production facilities include a pumpjack, separator enclosure, casing and tubing strings,

well head, telemetry equipment and transformer.

SOURCE OF CONSTRUCTION MATERIAL: gravel location and approach road;
soil stored in berm.

ANCILLARY FACILITIES: none

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. No crude oil is expected to be produced. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Produced water will be gathered to the evaporation pit and eventually injected into the Navajo Sandstone via a RGC-operated salt water disposal well. Used oil from drilling operations and support is hauled to a used oil re-cycler and re-used.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOOD PLAINS AND/OR WETLANDS: none - The area is drained by intermittent Timothy Wash which flows into Desert Lake, draining, via Desert Seep Wash, into the Price River ~15 miles to the east.

FLORA/FAUNA: Pinyon, juniper / birds, lizards, coyotes, rodents, raptors (eagle nests in use; ~½ mile to southeast along south wall of the canyon, elk and deer critical winter range, reptiles.

SOIL TYPE AND CHARACTERISTICS: Sandy, silty, moderately-permeable soil developed on Quaternary / Tertiary Pediment Mantle covering the Blue Gate Member of the Mancos Shale. (GP-SP-ML)

SURFACE FORMATION & CHARACTERISTICS: Quaternary / Tertiary Pediment Mantle over the upper portion of the Blue Gate Member (above the Emery Sandstone Member) of Mancos Shale, light gray, bentonitic shale and sandstone ledges.

EROSION/SEDIMENTATION/STABILITY: Stable.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout, earthen pit.

LINER REQUIREMENTS (Site Ranking Form attached): Synthetic liner.

SURFACE RESTORATION/RECLAMATION PLAN

See SITLA Surface Agreement.

SURFACE AGREEMENT: SITLA Surface Agreement.

CULTURAL RESOURCES/ARCHAEOLOGY: Archaeological survey completed and filed with the state.

OTHER OBSERVATIONS/COMMENTS

The Emery County participants ask that the existing approach roads be considered as RS2477 roads

ATTACHMENTS:

4 photographs taken. (5-8)

Christopher Kierst
DOGM REPRESENTATIVE

11/5/99/ 12:25 PM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score

15

(Level II Sensitivity)



RGC Utah 8-354; 4301530395; 1073' FNL, 1914' FEL; Emery County UT; 11/5/99 C. Kierst

Well name:

1199 RGC UT 08-354

Operator: River Gas Corp.

String type: Surface

Project ID:

43-015-30395

Location: Emery County

Design parameters:**Collapse**

Mud weight: 8.330 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 80 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 290 ft

Cement top: 3 ft

Burst

Max anticipated surface

pressure: -3,992 psi

Internal gradient: 11.221 psi/ft

Calculated BHP 160 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 324 ft

Re subsequent strings:

Next setting depth: 7,500 ft

Next mud weight: 9.000 ppg

Next setting BHP: 3,506 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 7,500 ft

Injection pressure 7,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	370	8.625	24.00	J-55	ST&C	370	370	7.972	17.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	160	1370	8.56	160	2950	18.42	8	244	31.40 J

Prepared RJK
by: Utah Dept. of Natural Resources

Date: November 17, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Conductor and surface casing shall be cemented to surface.

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 370 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

1199 RGC UT 08-354

Operator: River Gas Corp.

String type: Production

Project ID:

43-015-30395

Location: Emery County

Design parameters:**Collapse**

Mud weight: 8.330 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 128 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 368 ft

Cement top: 990 ft

Burst

Max anticipated surface pressure:

0 psi

Internal gradient: 0.433 psi/ft

Calculated BHP 1,623 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 3,276 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3750	5.5	17.00	N-80	LT&C	3750	3750	4.767	129.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1623	6290	3.88	1623	7740	4.77	56	348	6.25 J

Prepared RJK
by: Utah Dept. of Natural Resources

Date: November 17, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Conductor and surface casing shall be cemented to surface.

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

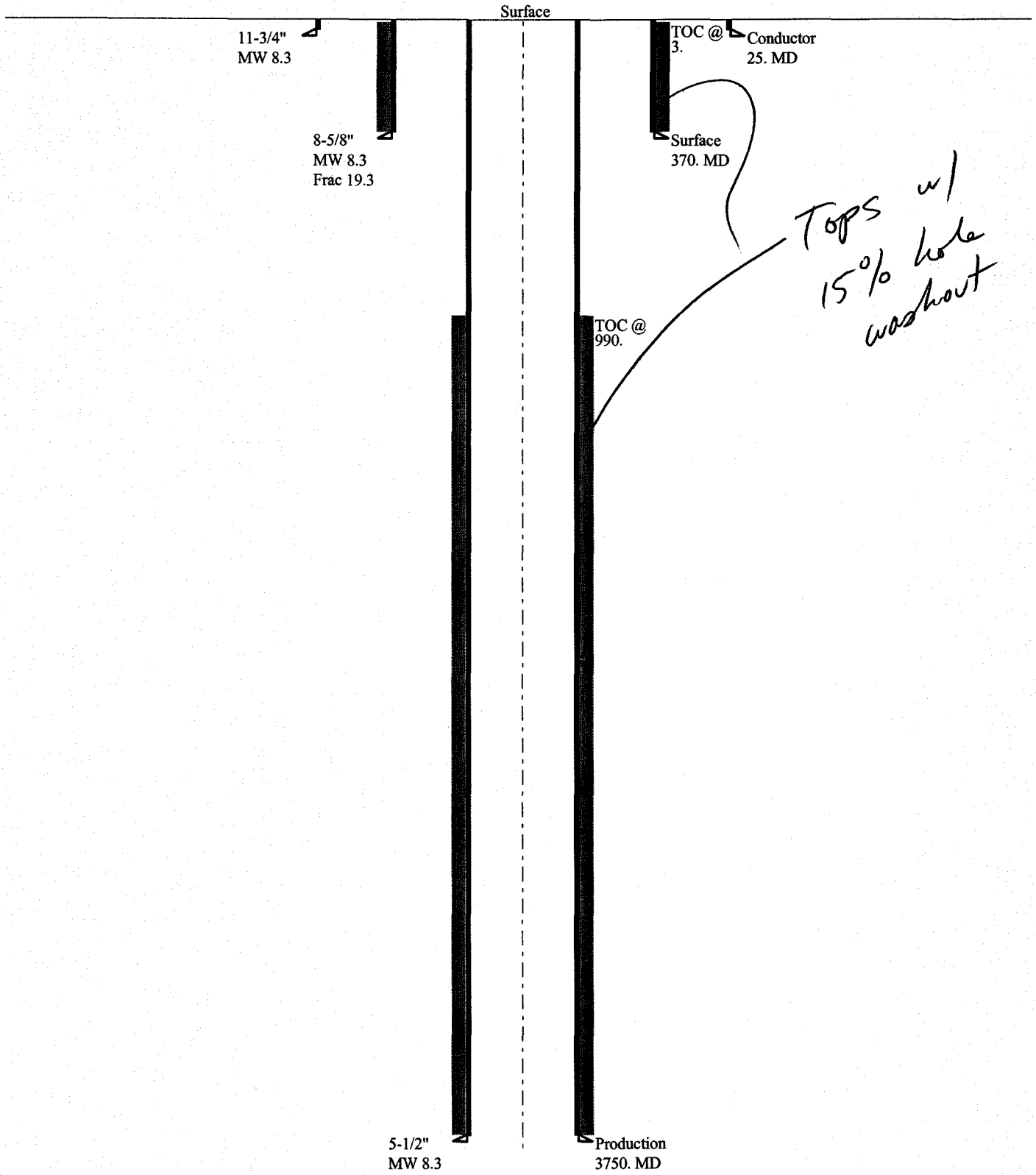
Collapse is based on a vertical depth of 3750 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

1199 RGC UT 08-354

Casing Schematic





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

February 22, 2000

River Gas Corporation
P.O. Box 851
Price, Utah 84501

Re: Utah 8-354 Well, 1073' FNL, 1914 FEL, NW NE, Sec. 8, T. 16 S, R. 9 E Emery
County, Utah

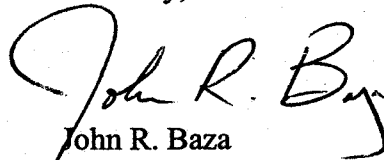
Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This permit does not supercede the need to comply with any and all stipulations which the School and Institutional Trust Lands Administration (SITLA) may impose due to obligations from the Federal-State land exchange and Environmental Impact Statement (EIS) requirements. It is the responsibility of the operator to be aware of and to comply with any drilling or surface restrictions which are under SITLA jurisdiction.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-015-30395.

Sincerely,


John R. Baza
Associate Director

jb

Enclosures

cc: Emery County Assessor
Bureau of Land Management, Moab District Office

Operator: River Gas Corporation

Well Name & Number: Utah 8-354

API Number: 43-015-30395

Lease: ML-48220

Location: NW NE **Sec.** 8 **T.** 16 S. **R.** 9 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

Division contacts (please leave a voice mail message if person is not available to take the call):

Dan Jarvis at (801)538-5338
Robert Krueger at (801)538-5274 (plugging)
Carol Daniels at (801)538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Conductor and surface casing shall be cemented to surface.

5. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: RIVER GAS CORPORATION

Well Name: UTAH 08-354

Api No.. 43-015-30395 LEASE TYPE: STATE

Section 08 Township 16S Range 09E County EMERY

Drilling Contractor PENSE BROTHERS DRILLING RIG # 11

SPUDDED:

Date 05/30/2000

Time 6:00 AM

How DRY

Drilling will commence

Reported by BOZE STINSON

Telephone #

Date 05/30/2000 Signed: CHD

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR River Gas Corporation
ADDRESS 6825 S. 5300 W. P.O. Box 851
Price, UT 84501

OPERATOR ACCT. NO. _____

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	12751	43-015-30379	Utah 08-356	NWSW	08	16S	09E	Emery	5/26/00	5/1/00

WELL 1 COMMENTS:

New single well, new spud outside PA but within Unit boundary

CONFIDENTIAL

000605 entity added

B	99999	12752	43-015-30395	Utah 05-354	NWNE	08	16S	09E	Emery	5/30/00	5/1/00
---	-------	-------	--------------	-------------	------	----	-----	-----	-------	---------	--------

WELL 2 COMMENTS:

New single well, new spud outside PA but within Unit boundary

CONFIDENTIAL

000605 entity added.

WELL 3 COMMENTS:

WELL 4 COMMENTS:

NN											
----	--	--	--	--	--	--	--	--	--	--	--

WELL 5 COMMENTS:

ACTION CODES (See Instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

RECEIVED

JUN 02 2000

**DIVISION OF
OIL, GAS AND MINING**

Frankie Hathaway *Frankie Hathaway*
Signature

Administrative Assistant 5/30/00

Title Date

Phone No. (435)613-9777

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator:

River Gas Corporation

3. Address and Telephone Number:

6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777

4. Location of Well

Footages:

1063' FNL, 1924' FEL (new loc/4301530464)

QQ, Sec., T., R., M.:

NW/NE SEC. 08, T16S, R09E, SLB & M

5. Lease Designation and Serial Number:

ML-48220

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

UTU67921X Drunkards Wash

8. Well Name and Number:

Utah 08-354

9. API Well Number:

43-015-30395/PA * See 43015-30464

10. Field or Pool, or Wildcat:

Drunkards Wash

County: Carbon County

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- | | |
|--|---|
| <input checked="" type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other _____ | Re-spud _____ |

Approximate date work will start _____

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

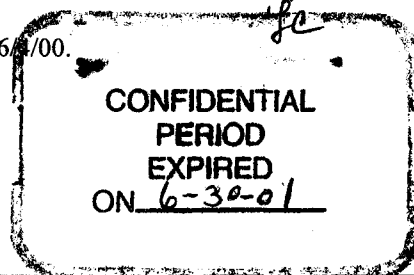
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

We are proposing to re-spud the Utah 08-354 on the same location at a new drill point, 1063' FNL, 1924' FEL, roughly 10' northwest of the old one, which was 1073' FNL, 1914' FEL.

The original well spud on 5/30/00, was abandoned at a depth of 85' due to a break in the conductor pipe. Because of the shallow depth of the hole and because bedrock was not yet encountered, the old hole was backfilled and a new hole started 10' over from the original hole.

The new well will follow the same permit. All formations are expected to be encountered at the same depths. Estimated TD continues to be 3548'. The only change will be the new drill point. The new drill hole will have the same name and same API number. 43-015-30464

We hope to spud the new drill point on 6/4/00.



RECEIVED

JUN 18 2000

DIVISION OF
OIL, GAS AND MINING

13.

Name & Signature: Jean Semborski

Jean Semborski

Title: Permitting Specialist

Date: 5/31/00

(This space for state use only)

INSPECTION FORM 4 STATE OF UTAH
DIVISION OF OIL GAS AND MINING

OIL AND GAS PRODUCTION FACILITIES

Well Name: <u>Utah 8-354</u>	API Number: <u>43-015-30395</u>
Qtr/Qtr: _____ Section: <u>8</u>	Township: <u>16 S</u> Range: <u>9 E</u>
Company Name: <u>River Gas</u>	
Lease: State <u>X</u> Fee _____	Federal _____ Indian _____
Inspector: <u>Mark L. Jones</u>	Date: <u>8/30/2001</u>

Type of Inspection: Routine Complaint Other Bond Release

Well status at time of visit: Producing _____ Shut-in _____ Other PA

COMMENTS: There is a producing gas well on this location with the same above name however operating under a different API# (43-015-30464). According to records on file with DOGM and produced by River Gas (now Phillips) the well in question was PA due to a break in the conductor pipe. There was a rig skid ~10' WSW of original drill hole. The abandoned well casing is visible and full of debris within ~1 ft of surface of casing and ground surface elevation. The location looks good other than the visible PA casing and was built per APD specifications. Photos were taken at time of inspection.











INSPECTION FORM 4 STATE OF UTAH
DIVISION OF OIL GAS AND MINING

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